



The Rhode Island Film
Collaborative
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NEWS RELEASE
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ECONOMIC BENEFITS OF FILM TAX CREDIT FAR OUTWEIGH COST

**Distinguished University Professor Reports \$56.7 Million In Credits Results
In \$465.5 Million for Rhode Island's Economy and 4,184 New FTE Jobs**

RHODE ISLAND--With the Ocean State's high unemployment rate and elected officials searching for ways to improve Rhode Island's economy, the Motion Picture Production Tax Credit attracts thousands of high paying jobs, supports small businesses, and is crucial to the state's economy, according to a new, comprehensive study from Dr. Edward M. Mazze, Distinguished University Professor of Business Administration, The University of Rhode Island, titled, The Economic Impact of the Motion Picture Production Tax Credit on the Rhode Island Economy for the years 2005-2009.

The state and local economic benefits brought by hosting a major motion picture or television production are dynamic, and the total economic activity in Rhode Island that resulted from the \$56.7 million tax credits from the period of 2005 through 2009 was \$465.51 million dollars. The tax credit was responsible for creating and supporting 4,184 new FTE jobs. This does not include over 10,000 background extras used in the film and television productions..

"The Motion Picture Tax Credit was, and is, critical to the film and television production industry in Rhode Island, and vital to the state's economy. For every \$1 dollar invested in the tax credit, over \$8 of economic activity resulted. The economic benefits of the tax credit far outweigh the state's investment in the program," said **Dr. Edward M. Mazze**.

"The Rhode Island Film Collaborative was excited to sponsor a study by such an esteemed expert in the field of business as Dr. Mazze. His thorough examination offers crucial insight into the value of filmmaking to our community and to our local economy", said **Mark Fogarty, RIFIC President**.

"Dr. Mazze's report on the economic impact of the tax credit on Rhode Island confirms what IATSE Local 481 has seen since the credit's inception in 2005: the creation of thousands of new jobs in the state", said **Chris O' Donnell, Business Manager, IATSE Local 481**, "Local 481 membership in Rhode Island since 2005 has increased 350%. These are well paying jobs which typically provide health insurance and retirement benefits."

Dr. Mazze also indicated other positive impacts of the film tax credit that were not easily quantifiable:

- support of Rhode Island's cultural and historic sites
- formation of new businesses to support film and television production companies
- support of the state's creative sector
- local internship opportunities for students
- out-of-state students enrolling in film and television courses at Rhode Island's colleges and universities
- reduces the loss of skilled workers to other states
- support of other employment sectors such as leisure and hospitality, business and professional services, construction and education
- tourism from out-of-state visitors
- support of local film festivals
- support of charities, and
- global publicity for the state

"For years, we have received an overwhelming amount of correspondence with anecdotal evidence supporting the Motion Picture Incentive Program. Many citizens, small businesses, officials from cities and towns, tourism experts, college and university educators, community organizers, and charitable organizations have all shared the importance of this program and its positive influence on their lives. Dr. Mazze's study now mathematically proves it. Through hard data and solid facts, his research clearly measures the total impact of the tax credit on Rhode Island's economy," said **Steven Feinberg, Executive Director of the Rhode Island Film & TV Office**. "We have a unique state due to our small size and diversity of locations as well as a strong talent pool and crew base. Filmmaking is a rapid growing industry. It has tremendous positive benefits--both artistic and economic--and it must be recognized as one of the most promising, vital lanes to Rhode Island's road for future economic success."

Over 45 states in the United States have some form of film tax credit program.

To contact Dr. Edward M. Mazze, please call 401-295-5802

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More about Dr. Mazze:

Edward M. Mazze was Dean of the College of Business Administration and holder of the Alfred J. Verrecchia - Hasbro Inc. Leadership Chair in Business at the University of Rhode Island. Currently, he holds the rank of Distinguished University Professor of Business Administration at the University of Rhode Island. He has previously served as Dean of The Belk College of Business Administration at The University of North Carolina-Charlotte and Co-Director, The Frank Hawkins Kenan Institute of Private Enterprise - Charlotte, Dean of the School of Business and Management at Temple University, and Dean of the W. Paul Stillman School of Business at Seton Hall University. He received BBA and MBA degrees from City University of New York and his PhD degree in business administration from Pennsylvania State University.

Dr. Mazze serves as a member of the Board of Directors of Technitrol, Inc. (NYSE), Washington Trust Bancorp, Inc. (NASDAQ), and the Ocean State Business Development Authority. Dr. Mazze is the former Chairman of the Board and Chief Executive Officer of the William Penn Bank in Philadelphia. He is a consultant to corporations. Government appointments have included among others, membership on the Panel of Chapter 7 Trustees, United States Department of Justice; United States Department of Commerce District Export Council; and Chair of the Tax Competitiveness Committee of the Rhode Island Economic Policy Council.

Edward M. Mazze is the author, co-author and/or editor of eleven books in business and over one hundred fifty articles appearing in publications such as Industrial Marketing Management, Journal of Marketing Research, Journal of Advertising Research, Journal of Finance, Journal of Marketing, Journal of Economics and Business, American Business Law Journal, Journal of Retailing, The Journal of Consumer Affairs, and Long Range Planning Journal. He serves on the editorial board of the Journal of Global Marketing and Industrial Marketing Management. He is a member of the Academy of International Business, the Academy of Marketing Science, the American Marketing Association and the National Association of Corporate Directors. A complete biographical listing appears in Who's Who in America and Who's Who in the East.